

## Neither Holiday Nor Investment: The Rise of Digital Nomad Visas Part 2

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# Neither Holiday Nor Investment: The Rise of Digital Nomad Visas Part 2

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This article is a sequel to December's [\*"Holiday by Investment" and The Rise of Digital Nomad Visas\*](#), where the focus was on holidays rather than work. In this follow-up article, the opposite will apply, focusing on the working side of things, now as it seems commonly referred to as teleworking visa or Digital Nomad Visa (DNV).

What is one's exact work/life balance and working status is no longer clear: Being home, or being stranded/marooned, or being on holiday while working, is more than ever becoming a question of perspective and degree. Working from locations more exotic than home (other than having your home in exotic locations) makes sense, especially in times of global turmoil.

During the coronavirus pandemic, working from home arrangements are slowly becoming the new normal, a change in *modus operandi* likely to persist well after the pandemic has been vanquished. Especially those countries that have been relying on tourists may profit from revenue created by way of digital nomad workers. Several states, including some small island states, have proposed their own versions of the DNV, allowing foreign nationals to stay for longer periods while working their jobs or projects remotely.

## **21 points prospective DNV participants must contemplate**

Recurring requirements and important points to keep in mind for those considering a DNV include:

- Application costs (normally marginal when compared to CBI);
- Evidence of (self-)funding/financial sustainability, at the very least, for the time of visit/temporary residence;
- Health insurance (global) should include a med-evac fly-out option pending the country's health infrastructure and availability;
- Registration for superannuation or other social security agreements;
- Taxation planning (in which jurisdictions is the work performed?); Dual taxation agreements (avoidance of dual taxation);
- Nature of work/legality (self-employment or employment), full- or part-time work; work pending on both jurisdiction for which work is performed, as well as jurisdiction in which the (online) work is performed;
- Any (ie. political) impact of the work so performed on the place of actual abode (ie. blogging);
- Cost analysis, real living costs;
- Requirements for partners and/or dependent children;
- Requirement or incentives to employ locals;

- Political stability and overall safety;
- Networking, professional support;
- Restrictions on nationalities able to visit and take out the DNV;
- The exact validity period of the visa;
- The exact nature of the DNV, which may include or exclude any of the points mentioned;
- Possibility to change visa status and the consequences thereof;
- Are there options to renew, to extend, as well as to transition into other visas?  
Eventually, are there pathways to permanent residence (PR)? Will the period of DNV count toward PR?;
- General COVID-related health requirements on exit (see ie. IATA), travel bans & exemption applications ie. Australia, vaccine requirements, etc. In addition, what are the arrival country's quarantine requirements and health coverage?
- Potential long term sustainability in case of COVID lockdowns;
- Weather, long term personal sustainability;
- Last, but not least, overall connectivity/internet quality.

### **Digital nomad visas don't fit neatly into conventional visa categories**

What is the legal nature of DNVs? This depends on the actual circumstances. For DNVs, there really isn't any 'investment' as such. Unlike holiday by investment visas, the stay is long term and the basic structure is not that of a visitor visa with merely the elements that focus on tourists extended for people working remotely.

These are, hence, no mere visitor visas with any working-restriction waived. As it seems, the closest visa category may be the actual work visa. This is because the visa conferral depends on evidence of work undertaken in reference to another jurisdiction. However, this could be an issue as the work is performed for another jurisdiction, because one is not locally employed, and because the fruits of one's labor are not or not usually or necessarily so enjoyed in the place of actual abode.

Corporate permission should be obtained to extend the working from home arrangement and to transplant it into another jurisdiction.

One may be employed or self-employed/freelancing. Tax advice should be taken out before embarking on a DNV, especially for countries that do not address dual taxation by way of agreement.

When compared to residence- and/or citizenship by investment RCBI options, digital nomad visas appear as being exceptionally affordable: Examples include Bermuda, where visitors can apply for a 12-month 'residential certificate' for US\$263. This is contingent on some of the abovementioned requirements, including financial sustainability for the time of residence, to avoid the necessity to find local employment.

Barbados also allows for a 12-month DNV. The remote work visa is open to individuals and families throughout the world, beginning with a fee of US\$2,000 per person/US\$3,000 per family unit and the proving of at least US\$50,000 earnings per year.

Similar arrangements exist for Estonia with proof of at least US\$4,180 of monthly income in the last six months, a 14-day isolation period to help the country maintain its low COVID-19 infection rate, and a EUR 100 application fee. The program is to be capped at 2,000 applicants per year.

Georgia is another country for this type of visa, as is Germany (Freelance visa for up to three years), the Czech Republic's Long Term Business Visa (one year), Spain's self-employment work visa (one year), or Mexico's Temporary Resident Visa (up to four years).

Pacific island states such as Vanuatu, holding the status of 'COVID-free', may widely profit from such a program. All DNV countries profit from regional workers. In Vanuatu's case, this would be Australians and New Zealanders, despite the quarantine requirements still in place. In the case of Bermuda, Americans, and so forth.

### **DNVs are politically more palatable**

In any case, the DNV holders would likely have a positive impact on local economies, generating more revenue than regular tourists, as their period of stay is far longer. Education and training programs, as well as conferences, and even start-ups could follow suit, bringing back local and global economies.

Acceptance by the local citizenry may be substantial in that local jobs may be created in the wake of DNVs, whereas no local jobs or job prospects are under threat by what amounts to highly educated and trained DNV experts in fields including IT. DNV may then be renewable – if need be, indefinitely so – creating a win-win economic environment.

In conclusion, the vocational output may increase depending on one's preference of abode. There is no more need to stay in dull weather or being bound to a specific office location. For many, laptop work is made possible anywhere with a stable internet connection. The list of countries offering DNVs as a COVID recovery plan is likely to grow quickly, and further options will likely arise.